

### LOAN TO LENDER FINANCING PROGRAM

<b>Program Description</b>	<p>The <b>Loan to Lender Financing Program</b> supports the new construction of affordable rental housing projects by providing low-cost funds to eligible construction lenders. Interest rate savings derived from CalHFA funds are passed on at cost to the construction lender during the construction period, therefore reducing the project's development costs. This program must be used in conjunction with CalHFA permanent financing.</p> <p>The construction lender signs a note and lender agreement with CalHFA, and the borrower executes a regulatory agreement addressing the occupancy restrictions required per the terms of the CalHFA permanent loan.</p> <p>Refer to CalHFA's Permanent Loan Program guidelines for additional information regarding fees, interest rates, restrictions, due diligence, and regulatory agreement occupancy requirements.</p>
<b>Qualifications</b>	<ul style="list-style-type: none"> <li>• Available to for-profit, non-profit or public agency sponsors</li> <li>• Intended for construction lenders with established experience in construction lending for affordable housing projects in California. Lenders must also have been rated A- or higher by Standard &amp; Poor's. Current lenders include: <ul style="list-style-type: none"> <li>— Bank of America</li> <li>— Union Bank</li> <li>— Wells Fargo</li> </ul> </li> </ul>
<b>Loan Amount</b>	No maximum loan amount stated. The loan amount is determined by CalHFA and may not exceed the size of the construction loan.
<b>Fees</b> (subject to change)	<ul style="list-style-type: none"> <li>• Application Fee: \$500, due at time of application</li> <li>• Origination Fee: 1% of the loan amount is due prior to the CalHFA Board Meeting</li> <li>• Credit Enhancement Fee: included in the interest rate</li> </ul>
<b>Rate &amp; Terms</b> (subject to change)	<ul style="list-style-type: none"> <li>• Construction Lender Financing: 3% interest rate (taxable or tax-exempt) financing</li> <li>• Borrower Pricing: The construction lender may charge an interest rate up to 200 basis points over the CalHFA interest rate, and 1.5% in loan fees</li> <li>• Payments: Interest-only payments are required during the construction period</li> <li>• Rate Lock: The interest rate is locked in at time of loan approval by the CalHFA Board of Directors</li> <li>• Loan Term: The term is for the construction period, up to a 24-month maximum</li> </ul>

<b>Subordinate Financing</b>	The construction loan and all other loans, leases, development and regulatory agreements must be subordinate to the CalHFA regulatory agreement.
<b>Construction Draws &amp; Inspections</b>	Funds are disbursed to the construction lender on a draw basis. CalHFA will independently inspect the projects for compliance with design guidelines approved under the CalHFA permanent loan commitment. The cost of the required independent inspections is the responsibility of the borrower and is estimated at \$1,500 per month.
<b>Questions</b>	<p>Questions regarding the Loan to Lender Financing Program can be directed to CalHFA's Multifamily Finance Division:</p> <ul style="list-style-type: none"> <li>• Laura Whittall-Scherfee, Chief, Multifamily Programs</li> <li>• 1121 L Street, Suite 207, Sacramento, CA 95814</li> <li>• Phone: 800.736.2432 or directly at 916.327.2588</li> <li>• Email address: lwhittall-scherfee@calhfa.ca.gov</li> </ul>

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01/03

**TAX-EXEMPT BRIDGE FINANCING PROGRAM**

<b>Program Description</b>	<p>The <b>Tax-Exempt Bridge Financing Program</b> offers tax-exempt bridge loans for projects receiving 4% tax credits at an amount necessary to ensure the award of tax credits.</p> <p>If the combined amount of the permanent and bridge loans exceed 85% loan-to-value (LTV), additional collateral may be required.</p>
<b>Qualifications</b>	<ul style="list-style-type: none"> <li>• Available to for-profit, non-profit and public agency sponsors</li> <li>• New Construction or Acquisition/Rehabilitation developments utilizing 4% tax credits and CalHFA permanent financing</li> </ul>
<b>Loan Amount</b>	<ul style="list-style-type: none"> <li>• The loan amount will be the amount necessary to meet the tax credit allocation committee's tax-exempt funding requirements. Loans are typically committed for up to 55% of eligible basis; bridge loans in excess of 55% of eligible basis are approved on an individual basis</li> <li>• Up to 90% of investor's equity proceeds – at CalHFA's discretion</li> </ul>
<b>Fees</b> (subject to change)	<ul style="list-style-type: none"> <li>• <u>Loan Fee: 1.5% of the loan amount:</u> 1% is due prior to the CalHFA Board Meeting, and the remaining .50% is due upon issuance of the loan commitment letter (no loan fees are due if used in conjunction with CalHFA Loan to Lender or Preservation/Acquisition financing programs)</li> <li>• <u>Bond Origination Guarantee Fee:</u> 1% is due at time of final commitment approval, and refundable at permanent loan closing (cash or letter of credit)</li> </ul>
<b>Rate &amp; Terms</b> (subject to change)	<ul style="list-style-type: none"> <li>• Interest Rate: Tax Exempt – 4%; Taxable – call for quote</li> <li>• Loan Term: 1 to 3 year term, fully amortized, with annual level payments</li> <li>• Lien Priority: Second priority loan behind the CalHFA permanent mortgage</li> <li>• Prepayments: Permitted after first year</li> </ul>
<b>Due Diligence</b>	<p>All of the listed due-diligence efforts are required and are at the borrower's expense:</p> <ul style="list-style-type: none"> <li>• Letter of credit required from the investor if CalHFA mortgage amounts exceed 85% LTV</li> <li>• Letter of credit is reduced annually until the 85% test is met</li> <li>• Investor is subject to credit review</li> <li>• Pay-in schedule to be sufficient to cover payments of principal and interest required for the bridge loan</li> <li>• Additional collateral may be required at the discretion of CalHFA</li> <li>• CalHFA requires the legal authority from the investor to be able to replace the General Partner, if deemed necessary</li> </ul>

<b>Questions</b>	<p>Questions regarding the Tax-Exempt Bridge Financing Program can be directed to CalHFA's Multifamily Finance Division:</p> <ul style="list-style-type: none"> <li>• Laura Whittall-Scherfee, Chief, Multifamily Programs</li> <li>• 1121 L Street, Suite 207, Sacramento, CA 95814</li> <li>• Phone: 800.736.2432 or directly at 916.327.2588</li> <li>• Email address: <a href="mailto:lwhittall-scherfee@calhfa.ca.gov">lwhittall-scherfee@calhfa.ca.gov</a></li> </ul>
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**HUD SECTION 202 REFINANCING PROGRAM**

<b>Program Description</b>	<p>Owners of existing Section 202 developments may refinance their direct HUD loans through CalHFA under more favorable terms and conditions. Owners must agree to maintain affordable occupancy restrictions, to comply with HUD requirements, and to undertake appropriate rehabilitation of the property. (Prepayment of the HUD loan is now permissible without any change to the Section 8 subsidy payments as long as the debt service savings and additional funds accessed are invested in the property or to the benefit of the residents.)</p> <p>The CalHFA refinancing program offers lower interest rates and extended amortization terms. Debt service savings can be used to leverage additional loan proceeds to fund renovation, additions, or other senior amenities. Enhanced cash flow can be used to fund service and other resident programs, or a combination of rehabilitation and services, subject to CalHFA and HUD approval. Existing reserve accounts may be used to fund rehabilitation, subject to HUD approval.</p> <p>Eligible sponsors may also use the CalHFA refinancing program for the acquisition and rehabilitation of existing 202 properties.</p> <p>The loans will be funded with tax-exempt bonds and will be issued through the HUD/FHA Risk Share Program.</p>
<b>Qualifications</b>	<ul style="list-style-type: none"><li>• Available to non-profit agency sponsors</li></ul>
<b>Loan Amount</b>	<ul style="list-style-type: none"><li>• Lesser of Section 8 contract rents or comparable market rents</li><li>• A minimum 110% debt service coverage ratio</li><li>• Loan to value not to exceed 90% of appraised value</li></ul>
<b>Fees</b> (subject to change)	<ul style="list-style-type: none"><li>• Application Fee: \$500, due at time of application</li><li>• Loan Fee: 1.5% of the loan amount</li><li>• Third Party Fee: \$25,000 for estimated cost of third party reports, due at time of application (can be financed at loan closing)</li><li>• Legal Fees</li></ul>
<b>Rate &amp; Terms</b> (subject to change)	<ul style="list-style-type: none"><li>• Interest Rate: 5.50%</li><li>• Payments: interest-only payments during the rehabilitation period. Fully amortized payments after rehabilitation period.</li><li>• Term: up to 2 years for rehabilitation period, up to 30 years after rehabilitation period</li></ul>
<b>Occupancy Requirements</b>	<ul style="list-style-type: none"><li>• 20% of the units are required to be restricted to households earning 50% or less of the county median income (as adjusted by family size)</li><li>• Compliance with 501(c)(3) bond affordability requirements or</li></ul>

<b>Occupancy Requirements (continued)</b>	<p>TCAC affordability requirements, as applicable</p> <ul style="list-style-type: none"> <li>• Low income use restriction for term of new CalHFA loan or of original HUD 202 loan, whichever is greater</li> <li>• Borrower must apply for Section 8 contract renewals and annual rent adjustments</li> </ul>
<b>Due Diligence</b>	<p><b>All of the listed due-diligence efforts are required and are at the borrower's expense:</b></p> <ul style="list-style-type: none"> <li>• Property appraisal will be ordered by CalHFA</li> <li>• Termite inspection report</li> <li>• Seismic review</li> <li>• Phase I, NEPA environmental review for HUD/Risk Share, and Asbestos Study (if required by the Phase I)</li> <li>• Physical Needs Assessment (PNA) for rehabilitation projects and Handicapped Accessibility Report (included in PNA)</li> <li>• Construction period inspection fees are estimated at \$1,500 per month</li> </ul>
<b>Rehabilitation Priorities</b>	<ul style="list-style-type: none"> <li>• Health and safety considerations including seismic reinforcement, if necessary</li> <li>• Handicap accessibility (common areas and 5% of units)</li> <li>• Deferred maintenance and required system upgrades</li> <li>• Senior enhancements</li> </ul>
<b>Required Reserves</b>	<ul style="list-style-type: none"> <li>• Operating Expense Reserve: 10% of annual gross income due at permanent loan closing (cash)</li> <li>• Replacement Reserve: \$1,000 per unit</li> <li>• Annual Replacement Reserve Deposit: minimum of \$250 per unit (or higher if required by the PNA)</li> </ul>
<b>Questions</b>	<p>Questions regarding the HUD Section 202 Refinancing Program can be directed to CalHFA's Multifamily Finance Division:</p> <ul style="list-style-type: none"> <li>• Edwin Gipson, Loan Officer, Multifamily Programs</li> <li>• 1121 L Street, Suite 207, Sacramento, CA 95814</li> <li>• Phone: 800.736.2432 or directly at 916.324.1548</li> <li>• Email address: egipson@calhfa.ca.gov</li> </ul> <p>or</p> <ul style="list-style-type: none"> <li>• Kathy Weremiuk, Loan Officer, Multifamily Programs</li> <li>• 100 Corporate Pointe, Suite 250, Culver City, CA 90230</li> <li>• Phone: 310.342.1256</li> <li>• Email address: kweremiuk@calhfa.ca.gov</li> </ul>

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04/03

### PREDEVELOPMENT FINANCE PROGRAM

<b>Program Description</b>	The <b>Predevelopment Finance Program</b> provides low-cost funding to cover the predevelopment costs associated with affordable rental projects that will have permanent CalHFA financing.
<b>Qualifications</b>	<ul style="list-style-type: none"> <li>• Non-profit 501(c)(3) housing entities</li> <li>• Eligible developments shall consist of five or more units of new construction, acquisition, or acquisition and rehabilitation</li> <li>• CalHFA permanent financing required</li> </ul>
<b>Loan Amount</b>	\$250,000 maximum.
<b>Fees</b> (subject to change)	1% finance fee, due at time of loan disbursement.
<b>Rate &amp; Terms</b> (subject to change)	<p>Interest Rate: 3%</p> <ul style="list-style-type: none"> <li>• Payments: Interest-only payments required</li> <li>• Term: 24-month maximum term, to be repaid no later than construction loan closing</li> <li>• Loan may be secured by a mortgage on the subject property or other collateral acceptable to CalHFA</li> <li>• CalHFA must approve site and development concept</li> </ul>
<b>Subordinate Financing</b>	All loans, leases, development and regulatory agreements must be subordinate to CalHFA financing.
<b>Eligible Costs</b> (Predevelopment)	<p>Loan proceeds may be used to pay for direct costs, such as:</p> <ul style="list-style-type: none"> <li>• Architectural or engineering costs</li> <li>• Permits and related fees</li> <li>• Bonding fees</li> <li>• Costs associated with debt financing</li> </ul> <p>Loan proceeds may not be used for administration expenses or hard construction costs.</p>
<b>Disbursements</b>	Loan funds shall be disbursed in increments of no less than \$10,000, upon submittal of receipted invoices.
<b>Questions</b>	<p>Questions regarding the Predevelopment Finance Program can be directed to CalHFA's Multifamily Finance Division:</p> <ul style="list-style-type: none"> <li>• Laura Whittall-Scherfee, Chief, Multifamily Programs</li> <li>• 1121 L Street, Suite 207, Sacramento, CA 95814</li> <li>• Phone: 800.736.2432 or direct at 916.327.2588</li> <li>• Email addresses: <a href="mailto:lwhittall-scherfee@calhfa.ca.gov">lwhittall-scherfee@calhfa.ca.gov</a></li> </ul>

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**PERMANENT FINANCING PROGRAM**

<b>Program Description</b>	The <b>Permanent Financing Program</b> provides permanent loan financing for new multifamily construction projects and existing affordable housing multifamily projects.
<b>Qualifications</b>	<ul style="list-style-type: none"><li>• Available to for-profit, non-profit, and public agency sponsors</li><li>• New Construction or Acquisition and/or Rehabilitation</li><li>• Non-profit borrowers may be eligible for 501(c)(3) bond financing – call for underwriting guidelines, rates, and regulatory requirements</li></ul>
<b>Loan Amount</b>	<ul style="list-style-type: none"><li>• A minimum 110% debt service coverage ratio</li><li>• Lesser of 80% of economic value, or 90% of the total development cost</li></ul>
<b>Fees</b> (subject to change)	<ul style="list-style-type: none"><li>• Application Fee: \$500, due at time of application</li><li>• Loan Fee: 1.5% of the loan amount; 1% is due prior to the CalHFA Board Meeting, and the remaining .50% is due upon issuance of the loan commitment letter</li><li>• Bond Origination Guarantee Fee: 1% is due at time of final commitment approval, and refundable at permanent loan closing (cash or a letter of credit)</li></ul>
<b>Rate &amp; Terms</b> (subject to change)	<p><u>Tax-Exempt Financing (including 501(c)(3)bonds):</u></p> <ul style="list-style-type: none"><li>• 5.50% for 30 years</li><li>• 5.60% for 35 years</li><li>• 5.70% for 40 years</li></ul> <p><u>Taxable Financing:</u></p> <ul style="list-style-type: none"><li>• Call for current quote</li></ul>
<b>Subordinate Financing</b>	Tax credit and loans or grants are encouraged from local government and third parties to achieve project feasibility. All loans, leases, development and regulatory agreements must be co-terminors and subordinate to the CalHFA financing.
<b>Occupancy Requirements</b>	<ul style="list-style-type: none"><li>• 20% of the units are required to be restricted to households earning 50% or less of the county median income (as adjusted by family size)</li><li>• 501(c)(3) projects additionally require at least another 60% of the units to have rents at less than 80% of the HUD median income</li><li>• Loans in excess of \$10 million require additional levels of affordability</li><li>• Projects for seniors require rents based on one person per bedroom</li></ul>

<b>Due Diligence</b>	<p><b>All of the listed due-diligence efforts are required and are at the borrower's expense:</b></p> <ul style="list-style-type: none"> <li>• Property appraisal will be ordered by CalHFA; a market study may be required</li> <li>• Phase I, seismic review and other studies may be required at CalHFA's discretion</li> <li>• Physical Needs Assessment (<b>PNA</b>) for rehabilitation projects</li> <li>• Construction period inspection fees are estimated at \$1,500 per month</li> </ul>
<b>Required Reserves</b>	<ul style="list-style-type: none"> <li>• Operating Expense Reserve: 10% of annual gross income due at permanent loan closing (letter of credit)</li> <li>• Replacement Reserve: varies by project type and PNA (cash)</li> <li>• Construction Defects: 2.5% of hard costs, held for 12 months from permanent loan close (cash or letter of credit)</li> <li>• Insurance: One year's prepaid earthquake and hazard insurance premiums</li> </ul>
<b>Questions</b>	<p>Questions regarding the Permanent Financing Program can be directed to CalHFA's Multifamily Finance Division:</p> <ul style="list-style-type: none"> <li>• Laura Whittall-Scherfee, Chief, Multifamily Programs</li> <li>• 1121 L Street, Suite 207, Sacramento, CA 95814</li> <li>• Phone: 800.736.2432 or directly at 916.327.2588</li> <li>• Email address: lwhittall-scherfee@calhfa.ca.gov</li> </ul>

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08/03

### PRESERVATION ACQUISITION PROGRAM

<b>Program Description</b>	<p>The <b>Preservation Acquisition Program</b> is designed to preserve at-risk affordable housing developments by providing low-cost acquisition financing. The fund is comprised of monies authorized by Proposition 46 ("<b>Bond Funds</b>") and funds from CalHFA ("<b>Agency Funds</b>"). A goal of the program is for the combined funds to be repaid from permanent financing sources and be recycled for new acquisition loans. CalHFA will administer both funds and underwrite the loans pursuant to its Preservation Financing Program lending guidelines.</p> <p>Projects that are unable to secure permanent financing after acquisition may request that Bond Fund monies be converted to long term, residual receipt financing. CalHFA, in its sole discretion, may approve such request but only after a comprehensive review is conducted by the Agency and it is determined that no other viable financing alternatives are available to the project.</p>
<b>Eligible Projects</b>	<p>Assisted housing developments eligible for the Preservation Acquisition Program are defined by Government Code 65863.10 which include:</p> <ul style="list-style-type: none"> <li>• Section 8 assisted</li> <li>• BMIR 221 (d)(3)</li> <li>• Section 236</li> <li>• Section 202</li> <li>• Programs under Rent Supplement Assistance</li> <li>• Section 515</li> <li>• Section 42 of the Internal Tax Revenue Code</li> </ul>
<b>Qualifications</b>	<ul style="list-style-type: none"> <li>• Available to for-profit, non-profit or public agency sponsors.</li> <li>• A single asset entity will not be required for acquisition</li> </ul>
<b>Loan Amount</b>	<ul style="list-style-type: none"> <li>• Loan to cost: up to 100% of acquisition cost, subject to CalHFA approval.</li> <li>• Minimum 110% debt service coverage</li> </ul>
<b>Fees</b>	<ul style="list-style-type: none"> <li>• Application Fee: \$500, due at time of application submittal</li> <li>• Loan Fee: 1% (on the Agency Funds only) payable from the acquisition loan</li> <li>• One-half of the loan fee can be credited toward permanent CalHFA financing fees</li> <li>• The purchase price may not exceed the "as is" market appraised value of the property. CalHFA reserves the right to accept or reject the appraisal</li> </ul>
<b>Rate &amp; Terms</b>	<ul style="list-style-type: none"> <li>• Bond Funds: 3%, simple interest, deferred until permanent financing</li> <li>• Agency Funds: 4%, simple interest, payable monthly (subject to change).</li> <li>• The acquisition loan comprise of both funds is due and payable, plus all accrued interest, two years from the date of funding.</li> </ul>

<b>Processing Time</b>	The Preservation Acquisition Program contemplates a 90-day process from the time CalHFA receives a complete application to funding of the acquisition loan.
<b>Subordinate Financing</b>	All loans, leases and other liens must be subordinate to the acquisition financing. Subordination of development and regulatory agreements will be reviewed on an individual basis.
<b>Occupancy Requirements</b>	<ul style="list-style-type: none"> <li>• Affordability requirements contained in federal, state or local restrictions imposed on the property at the time of acquisition will be continued. Lesser affordability restrictions may be considered based on project feasibility as determined solely by CalHFA</li> <li>• Borrower must agree to apply for and accept all extension of existing HAP agreements or other rent subsidy programs for the term of the Preservation Acquisition Program loan. Existing contracts must be assigned to the Borrower. All required federal, state or local approvals must be obtained for the transfer of the property.</li> </ul>
<b>Regulatory</b>	A regulatory agreement reflecting existing restrictions or those as determined by CalHFA will be recorded against the property for 30 years.
<b>Due Diligence</b>	<p>The following due-diligence efforts are required at the borrower's expense:</p> <ul style="list-style-type: none"> <li>• Property appraisal;</li> <li>• Phase I and seismic review;</li> <li>• Physical Needs Assessment (PNA)</li> </ul> <p>Additional studies that may be required by CalHFA:</p> <ul style="list-style-type: none"> <li>• Market study</li> <li>• Lead and asbestos reports</li> </ul>
<b>Sponsor Fees</b>	To offset the cost of acquisition, sponsors may take a fee equal to 1% of the acquisition cost, or \$75,000 whichever is less, payable from acquisition loan proceeds.
<b>Priority</b>	Every effort will be made to accommodate all loan applications. However, priority in processing and funding will be given to those projects with assistance expiring within two years. A second priority will be given to projects with assistance expiring within five years.
<b>Rehabilitation Plan</b>	<ul style="list-style-type: none"> <li>• All applicants will be required to submit an outline rehabilitation plan for the project. This plan should include a scope of work with cost estimates that address the project's immediate and long term capital needs. For purposes of the acquisition loan, it is recommended that the scope of work be defined by identifying all scope items on the PNA.</li> <li>• Agency staff will evaluate the outline rehabilitation plan to ensure that lenders will accept the project for permanent financing. An in-depth review by staff may be conducted to examine those significant physical items that could preclude project financing (i.e., extensive dry rot, health and safety, major system replacement, etc.)</li> </ul>
<b>Permanent</b>	All applicants for loans under this program will be required to submit a



## SPECIAL NEEDS FINANCING PROGRAM

<b>Program Description</b>	The <b>Special Needs Financing Program</b> offers low interest rate financing for the development of rental housing to serve a broad range of special needs tenants in need of supportive services. Loan types include bridge, permanent, or Loan to Lender and can be used for new construction or acquisition/rehabilitation.
<b>Qualifications</b>	<ul style="list-style-type: none"> <li>• Available to non-profit and public agency sponsors</li> <li>• This program is intended for housing organizations that target special needs populations and supply supportive services. Special needs projects may include mixed income tenants (as appropriate) for the target population</li> </ul>
<b>Loan Amount</b>	<ul style="list-style-type: none"> <li>• Negotiable</li> <li>• Loan funds must be used for the real estate component of the project, and not for direct services</li> </ul>
<b>Fees</b> (subject to change)	<ul style="list-style-type: none"> <li>• Application Fee: \$500, due at time of application submittal</li> <li>• Origination Fee: 1% of the loan amount, due prior to the CalHFA Board Meeting</li> <li>• Credit Enhancement Fee: Included in the interest rate</li> </ul>
<b>Rate &amp; Terms</b> (subject to change)	<ul style="list-style-type: none"> <li>• Fixed rate, fully amortizing; 5 to 30 year terms</li> <li>• Interest rate is typically 3% or less, depending on several factors, including the number of special needs tenants, the percent of very low income tenants served, and the financial need of the project</li> <li>• There must be a clear link between the income level of the tenants, the cost of the special needs services provided, and the amount of subsidy that CalHFA must commit to bring the interest rate down to a level that supports the project financially</li> </ul>
<b>Subordinate Financing</b>	Subordinate loans or grants are encouraged from local government and third parties to achieve project feasibility. All loans, leases, development and regulatory agreements must be subordinate to CalHFA financing.
<b>Occupancy Requirements</b>	<ul style="list-style-type: none"> <li>• 35% of the units are required to be restricted special needs households earning 50% or less of the county median income (as adjusted by family size)</li> <li>• Projects that target either 60 % or 100% special needs tenants may receive higher subsidy amounts from CalHFA</li> </ul>

<b>Due Diligence</b>	<p>All of the listed due-diligence efforts are required and are at the borrower's expense:</p> <ul style="list-style-type: none"> <li>• Property appraisal will be ordered by CalHFA; a market study may be required</li> <li>• Phase I, seismic review and other studies may be required at CalHFA's discretion</li> <li>• Physical Needs Assessment for rehabilitation projects</li> <li>• Construction period inspection fees are estimated at \$1,500 per month</li> <li>• Design standards must meet CalHFA's goal to provide safe and sanitary special needs housing</li> <li>• Service agreement with a qualified service provider with first year's service financing secured</li> </ul>
<b>Services &amp; Asset Management</b>	<p>The borrower must provide a clearly articulated service delivery program and property management plan. In addition, the borrower and affiliate organizations will be scrutinized both for its ability to deliver high-quality services to the tenants and to successfully develop and manage the real estate component of the project.</p>
<b>Questions</b>	<p>Questions regarding the Special Needs Financing Program can be directed to CalHFA's Multifamily Programs Division:</p> <ul style="list-style-type: none"> <li>• Kathy Weremiuk, Loan Officer, Multifamily Programs</li> <li>• 100 Corporate Pointe, Suite 250, Culver City, CA 90230</li> <li>• Phone: 310.342.1250</li> </ul> <p>Email address: <a href="mailto:kweremiuk@calhfa.ca.gov">kweremiuk@calhfa.ca.gov</a></p>

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12/03

<b>Due Diligence</b>	<p>All of the listed due-diligence efforts are required and are at the borrower's expense:</p> <ul style="list-style-type: none"> <li>• Property appraisal will be ordered by CalHFA; a market study may be required</li> <li>• Phase I, seismic review and other studies may be required at CalHFA's discretion</li> <li>• Physical Needs Assessment for rehabilitation projects</li> <li>• Construction period inspection fees are estimated at \$1,500 per month</li> <li>• Design standards must meet CalHFA's goal to provide safe and sanitary special needs housing</li> <li>• Service agreement with a qualified service provider with first year's service financing secured</li> </ul>
<b>Special Needs Populations</b>	<p>To receive assistance under the Special Needs Financing Program, the proposed project needs to serve a disabled population or other population that requires special or supportive services to live independently. The Agency reserves the right to review and approve all "special needs" populations for applicability for this funding program.</p>
<b>Services &amp; Asset Management</b>	<p>The borrower must provide a clearly articulated service delivery program and property management plan. The services provided must be appropriate to the special needs population, and designed to assist the special needs residents to live independently. The borrower must have commitments for one-year of service funding at permanent loan closing. The Borrower will be required to provide the services for 10 years. In addition, the borrower and affiliate organizations will be scrutinized both for their ability to deliver high-quality services to the tenants and to successfully develop and manage the real estate component of the project.</p>
<b>Questions</b>	<p>Questions regarding the Special Needs Financing Program can be directed to CalHFA's Multifamily Programs Division:</p> <ul style="list-style-type: none"> <li>• Kathy Weremiuk, Loan Officer, Multifamily Programs</li> <li>• 100 Corporate Pointe, Suite 250, Culver City, CA 90230</li> <li>• Phone: 310.342.1250</li> </ul> <p>Email address: <a href="mailto:kweremiuk@calhfa.ca.gov">kweremiuk@calhfa.ca.gov</a></p>

**IMPORTANT DISCLOSURE INFORMATION:**

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